

A scenic landscape featuring a river winding through a valley, with mountains in the background and a forest of tall, thin trees in the foreground.

2008/09

A graphic element consisting of a thick green circle with a yellow inner ring, centered on the page.

ANNUAL REPORT



ANNUAL REPORT 2009

FOR THE YEAR ENDED 30 JUNE 2009

Contact details:

Municipal Manager
Kannaland Municipality
32 Church Street
Ladismith
6655

P.O. Box 30
Ladismith
6655

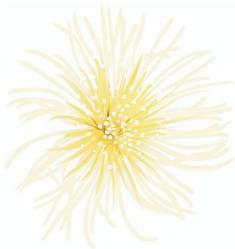
Tel: 028 55 11 023
Fx: 028 55 11 766
e-mail: manager@kannaland.co.za
website: www.kannaland.gov.za

Design and layout: Wilfred Jewell Consultancy CC +27 21 762 8777

COAT OF ARMS RATIONALE

Kannaland Municipality is named after a plant called 'kanna' in Khoi. Indigenous to our area, this is a lush, low-growing succulent that is commonly known as Kanna, Canna, or Kougoed (which means chewable or something to chew). Kanna has been used by the Hottentot people throughout history to improve frame of mind.

The logo of Kannaland Municipality includes the following elements:



The kanna flower, unique to our district and after which our district is named



A light green swoosh, representing Route 62 on which we are situated, as well as our embracing of the community

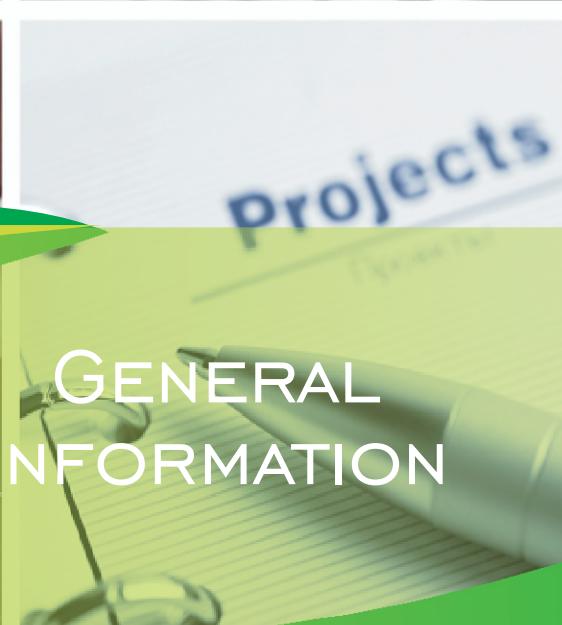


The K symbol, reinforcing our name and our bond to the community

The use of shades of green reflects the vegetation that surrounds us in our lush river valleys, highlights the vital importance of sensitivity to environmental and ecological issues in our area, and indicates our commitment to growth and productivity.

TABLE OF CONTENTS

1. CHAPTER 1	
Executive Mayor's Foreword	3
Statement by the Municipal Manager	4
Overview of Municipality	7
Executive Summary	11
2. CHAPTER 2	
Governance and Intergovernmental Relations	13
3. CHAPTER 3	
Development Planning	17
4. CHAPTER 4	
Service Delivery (Background on services provided by the Municipality)	21
5. CHAPTER 5	
Institutional Development & Transformation (Human Resource and other Organizational Management)	31
6. CHAPTER 6	
Financial Viability (un-audited Statements and Related Financial Information)	39
7. CHAPTER 7	
Functional Service Delivery Reporting	87
8. ANNEXURES	
Annexure A – 2008/09 Financial Statements	105
Annexure B – Employment Equity Report	157
Annexure C – Organizational Structure	191
Annexure D – Organizational Performance 2008	205



FROM THE OFFICE OF THE EXECUTIVE MAYOR

Kannaland Partners, it is my privilege to publish my first Annual Report to the communities of Kannaland.

At the start of the 2008/09 financial year, Kannaland Municipality expressed its desire for an Improved Quality of Life for its communities. Despite adverse circumstances we have succeeded in improving our position. Political and Administrative leadership have ensured:

- 1 Good financial management and control.
- 2 A productive labour force that strives toward discipline, honesty and fairness in its daily operations.
- 3 Accelerated service delivery.
- 4 Effective customer service of a high standard.
- 5 Good governance.

We as Municipal Partners with the community can bring about significant change in Kannaland. Our main focus is Life-changing upliftment which can be achieved only with the total commitment and support of all communities working together to ensure communal success.

We acknowledge the roles played by fellow Councillors, Management and personnel, and their contributions during 2008/09. My thanks to those responsible for the compiling and publishing of this Annual Report.



*N I Valentyn
Executive Mayor*

UIT DIE KANTOOR VAN DIE UITVOERENDE BURGEMEESTER

Kannaland Vennote, dis vir my 'n groot voorreg om vir die eerste keer die Jaarverslag te doen aan die Breër Kannaland.

Kannaland Municipality het aan die begin van die Finansiële Boekjaar 2008/2009 aan sy gemeenskap 'n Beter Lewe vir almal uitgespreek. Deur moeilike omstandighede het ons Kannaland in 'n beter posisie geplaas. Die Politiek en Administisasie Leierskap het gesorg vir die volgende:

1. Goeie Finansiële bestuur en kontrole
2. Produktywewerksmag wat dissipline, eerlikheid en geregtigheid na streef

3. Versnelling van dienslewering
4. Hoë standaarde en effektiewe Kliëntediens
5. Goeie regering.

Ons as Municipality en Vennote wat die Gemeenskap is, kan groot veranderings bring in Kannaland. Ons fokus is op Lewensverandering in Kannaland mits u as totale Gemeenskap saam werk.

Hiermee wil ek erkenning gee aan die Bestuur en mede Raadslede vir dit wat hulle ingesit het vir 2008/2009. Ek wil ook my dank uitspreek teenoor hulle wat die verslag voorberei het.

MUNICIPAL MANAGER'S MESSAGE

Kannaland Municipality continues to face major challenges regarding financial viability and sustainable service delivery.

These challenges arise from two main sources, being primarily an economically deprived region with limited growth potential combined with inadequate management resources together with severely restricted financing capacity to acquire the necessary operational finance and development capital to enable the Municipality to provide efficient and cost-effective services.

However, we are committed to addressing these shortcomings, given the support of all stakeholders concerned in the governmental and service delivery processes.

I am pleased to report that the necessary support programmes are in place to assist us to control and monitor the progress being made in Kannaland.

R28,25 million in revenue has been raised for the financial year in review and R26,80 million has been collected. The above-mentioned collection rate represents 95% and includes a significant quantum of arrears debt. Current debt collection in rural areas such as Zoar remains a severe challenge which requires innovative approaches to service delivery and consumption management.

The year under review has again been one of the most productive years of Kannaland Municipality and I am privileged to report on successes and challenges regarding projects initiated and / or completed by the various departments of the Municipality.



*K.R De Lange
Municipal Manager*

Projects completed

- **Appointment of staff:** We have appointed a number of skilled artisans, professional and semi professional staff members to improve both service delivery and administrative capacity. Staff sourcing remains a major challenge.
- **General Valuation:** The General Valuation of all properties was completed in terms of the Property Rates Act with the new Valuation Roll being implemented from July 2009.
- **Staff Training:** A number of administrative personnel have undergone intensive training to improve work methods and customer care services.
- **Integrated Development Plan:** The IDP for 2008/09 was completed and submitted to and approved by Council during May 2008.
- **SDBIP:** The service delivery budget and implementation plan was compiled in terms of the Municipal Finance Management Plan, workshoped with Management and the Council and approved within the required time frames.

MUNICIPAL MANAGER'S MESSAGE

- **Performance Management System:** The system has been introduced by Management in order to comply with legislation and related policies.
- **Employment Equity Plan:** The plan was updated as required by the Act and the report was submitted to the Department of Labour within the prescribed timeframe.
- **Annual Financial Statements:** The annual Financial Statements were compiled and submitted to the Auditor General's Office within days of the prescribed date.
- **Budget 2009/10:** The budget was compiled and submitted to Council, Provincial and National Treasury in terms of the MFMA. The 2008/09 mid-year adjustments budget was also adopted according to prescription.
- **Tarring of Roads:** The upgrading of dirt roads in Nissenville million has been successfully completed at a cost of R7,2m.
- **Renovation of Damaged Buildings:** A significant number of houses in Zoar have been renovated as part of a project managed by Eden DM at an estimated project cost of R18m.
- **Construction of Pavements:** A pedestrian walkway from Nissenville to the Hospital was constructed by the Department of Public Works at a cost of R2,2m.
- **Funding for New Purification Plant in Vanwyksdorp:** The Belgian Government financed a new water purification plant for Vanwyksdorp at a cost of R0,95m.

Kannaland Municipality was also fortunate to be selected by SIDA (Swedish International Development Agency), as one of two preferred pilot sites in the country, for a series of economic and social development initiatives, based on their confidence in Kannaland's management and leadership capability.

The municipality is proud to be a major contributor to the success of the following social and cultural events in the region:

1. Ladismith Cheese Seweweekspoort Mountain bike Challenge



DIE OORSPRONKLIKE RESEP

2. Kannaland Eco Festival



MUNICIPAL MANAGER'S MESSAGE

3. Calitzdorp Port Festival



4. Towerkop Sleepover Rally



The municipality contributed a total amount of R100,000 toward the successful staging of the above-mentioned cultural activities.

Insufficient State funding is a major challenge for municipalities to enable them to meet their service delivery responsibilities to communities and governance prescriptions of the State.

This reduces the economic impact that the municipality otherwise could have on the local community, which hampers our ability to address the ever-increasing poverty levels and increased demand for indigent benefit subsidies, which places severe strain on our Equitable Share funds.

My sincere appreciation and gratitude goes to our Councillors, especially the Executive Mayor, the Deputy Mayor and the Speaker, as well as municipal personnel for their dedicated support, without which these results could not have been realised.

MUNICIPAL MANAGER
K.R. DE LANGE

OVERVIEW: KANNALAND MUNICIPALITY

Introduction

Kannaland Municipality includes the areas and functions of the former Ladismith, Calitzdorp, Zoar and Van Wyksdorp Local Councils, as well as certain rural areas of the former Transitional Representative Councils. Both the administrative and legislative seats of Kannaland Municipality are situated in Ladismith.

The name Kannaland was derived from the Kanna plant or Salsola aphylla (River Ghana) which is indigenous to this region. Kannaland Municipal area lies between two mountain ranges, the Swartberge and Anysberg

Demographic Profile

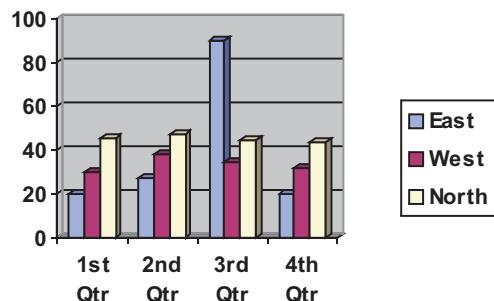
It is critical to understand the population dynamics of a particular regional economy and the associated municipalities. This facilitates spatial and other planning, budgeting and policy formulation for the provision of development and infrastructure such as basic services including housing, human settlements, medical and educational facilities etc. This includes both the natural population increase and the impacts of net migration.

The Kannaland LM demographic profile resembles that of Eden DM in terms of the age cohort proportion of the total population. The 0-14 and 15-34 age cohorts account for 60 per cent, while the 35-64 and 65 plus accounts for 40% of the population.

Kannaland host 5 per cent for each of the age cohorts 0-14, 15-34 and 35-64 years and 6.0 per cent of the elderly within Eden. Given the youthful nature of the population (more than 64% of the share of total population), education, health, and in particular employment provision should be made a priority.

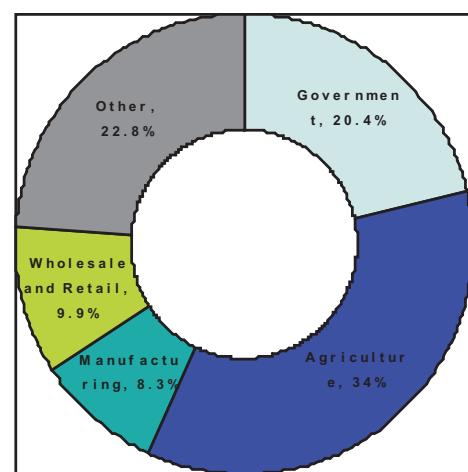
Given the youthful nature of the population [more than 64% of the share of the total population], education, health, and in particular employment provision should be made a priority.

Kannaland LM population pyramid 2006



Socio-economic Profile

- There are 29,270 people residing in Kannaland
- 6,072 Households are found, with the average household size of 4 people per household.
- 69% of the households live in urban areas.
- More than half the population is female (51%).
- A population growth rate of 0.94% has been experienced over the past 5 years, however, a negative population growth of – 1.98% is predicted for the next 25 years.
- Economically active group constituting 86.15%
- Kannaland's local economy grew at an average rate of 1.3% between 1995 – 2004.
- 90% of the households earn less than R12,800 per annum.
- The Dependency ratio is 2 people for each employed person.
- Agriculture, Government and Trade is an important contributor to the GGP of the region can be seen alongside:



OVERVIEW: KANNALAND MUNICIPALITY

Access to Services

- The majority of the households have access to piped water in their dwellings 55.8% while 26.2% satisfy their needs with piped water on site.
- There is insufficient bulk water supply for Kannaland.
- 2% of the households, most living in Zoar, are using bucket systems
- Most households have access to telephones and postal services.
- Roads are on average in a good condition.
- Erosion is the main problem on the gravel roads (Zoar and Van Wyksdorp).
- The communities of Kannaland already have access to electricity, especially within the urban areas.

Social Infrastructure

- 1 Hospital (in Ladismith) and clinics are spread throughout the region, except Van Wyksdorp.
- Educational facilities are spread throughout the area, however the teacher pupil ratio is high, 1:50 on average.
- Sports facilities are within easy reach, but they need upgrading and maintenance.
- Recreation facilities in the form of community halls also need upgrading and maintenance.
- Magistrate Courts are located in both Calitzdorp and Ladismith.
- Crime is relatively low.

Housing

- The majority of the population (76%) live in formal structures.
- According PIMSS IDEA 2001, 4.1% of the households live in informal and traditional houses.
- The number of people on the housing waiting list is 1,551.
- The expressed housing need in terms of the Provincial Housing Development Plan is 426 units.

Spatial and Land Use

- The Kannaland Municipality is situated in Ladismith approximately 161 km from George and is approximately 4,750km² in extent.
- The area is divided into 5 wards (1 rural and 4 urban).
- Kannaland has the most fertile agriculture soil in the Western Cape with a high grass income per hectare
- The area is also graced with one of the most scenic environments in the country and as a consequence is a much favoured tourism destination.
- Ladismith and Calitzdorp are the main urban centres.
- The highest population concentration is found in urban areas.



OVERVIEW: KANNALAND MUNICIPALITY

Crime levels

Crime Category	Ladismith April 2006 to March 2007	Calitzdorp April 2006 to March 2007	Ladismith April 2007 to March 2008	Calitzdorp April 2007 to March 2008	Ladismith April 2008 to March 2009	Calitzdorp April 2008 to March 2009
Murder	7	5	12	6	9	2
Attempted murder	0	1	0	4	1	0
Rape	24	14	16	9	39	11
Indecent assault	6	6	8	5		0
Assault with the intent to inflict grievous bodily harm	147	99	119	89	123	71
Common assault	172	125	152	135	167	83
Common robbery	3	1	5	1	7	0
Robbery with aggravating circumstances	2	1	3	0	0	0
General aggravated robbery (subcategory of aggravated robbery)	2	1	3	0	0	0
Carjacking (subcategory of aggravated robbery)	0	0	0	0	0	0
Truck hijacking (subcategory of aggravated robbery)	0	0	0	0	0	0
Robbery at residential premises (subcategory of aggravated robbery)	0	0	0	0	0	0
Robbery at business premises (subcategory of aggravated robbery)	0	0	0	0	0	0
Robbery of cash in transit (subcategory of aggravated robbery)	0	0	0	0	0	0
Bank robbery (subcategory of aggravated robbery)	0	0	0	0	0	0
Arson	2	0	2	0	0	1
Malicious damage to property	64	39	76	42	52	37
Burglary at residential premises	86	58	71	68 + 6 Att	84	54 + 1 Att
Burglary at business premises	26	30	24	33 + 5 Att	27	31 + 1 Att
Theft of motor vehicle and motorcycle	6	1	2	0	8	1 Att
Theft out of or motor vehicle	15	11	16	5 + 2 Att	15	7 + 3 Att
Stock-theft	16	3	14	13	13	15
Illegal possession of firearms and ammunition	4	2	7	0	7	0
Drug-related crime	197	85	215	74	200	106
Driving under the influence of alcohol or drugs	35	12	39	12	45	25
All theft not mentioned elsewhere	117	61	115	62	140	84
Commercial crime	8	0	8	0	7	1
Shoplifting	19	2	10	3	13	6
Culpable homicide	6	4	6	5	7	2
Kidnapping	0	0	0	0	0	0
Abduction	1	0	0	0	0	0
Neglect and ill-treatment of children	5	1	4	0	5	0
Public violence	0	0	0	0	1	0
Crimen injuria	6	24	6	27	8	9

OVERVIEW: KANNALAND MUNICIPALITY

Demographic information

Number of Households	Total Population	African	Coloured	Indian	White
6,156	26,467 100%	659 2.49%	22,362 84.49%	24 0.09%	3,422 12.93%

Socio-economic Information

Housing backlog (2004)	Unemployment rate(%)	Proportion of house-holds with no income (%)	Skills prop. of pop. – low skilled employ. (%)	HIV/AIDS prevalence 2005 (%)	People older than 14 years illiterate (%)	Total number of cases reported (2004/ 2005)	Urban/ rural household split
500	13.6%	6.7%	57%	2.1%	40%	2,580	53/37



EXECUTIVE SUMMARY

Vision

The Vision “To create the ideal environment in which the people of Kannaland would like to live and work. “To be the Place of Choice”.

Mission

The mission Kannaland Municipality is:

- Encouraging self-reliance.
- Ensuring co-ordination and collaboration of various stakeholders in the delivering of development in an integrated and sustainable manner.
- Promoting a healthy and vibrant community with high moral standards.
- Unlocking the development potential of the area, particularly tourism and indigenous knowledge and mobilising investment because of uniqueness.
- Ensuring that everyone will be active in the economy and utilise technology to our advantage.
- Attracting and keeping highly skilled workforce and ensuring that literacy and numeracy levels are above average.
- Enabling all communities to have access to basic services and land.
- Ensuring a safe, healthy and secure environment.
- Caring for our vulnerable communities.
- Promoting gender equity and developing our youth as our future asset.
- Being a government accountable to its community.

Strategic Objectives

In order to achieve its vision, Kannaland Municipality has accepted the following strategic objectives to:

- Plan proactively and respond functionally and productively to the challenges and constraints of its vision and mission.

- Promote viable local economic activities and employment generation as one of corner-stones of local Government and poverty reduction.
- Identify, harness and utilise resources to stimulate the economy and create job opportunities.
- Capacitate Councillors and staff members to perform the duties effectively.
- Ensure the provision of services to communities in a sustainable manner.
- Promote social and economic development.
- Promote a safe and healthy environment.

Sustainable Service Delivery

Kannaland Municipality is committed to focus on:

- Transformation
- Integration
- Sustainability
- Quality of live
- Co-operative Governance
- Community Participation

Chapter 2 relates to Governance and Inter Governmental Relations

Chapter 3 relates to Development Planning of the Municipality

Chapter 4 relates to services provided by the Municipality

Chapter 5 includes all personnel related activities at the Municipality and this Chapter serves to interpret the data produced in the financial report.

Chapter 6 deals with financial and non-financial information on the various Municipal functions with specific reference to services delivery.

Chapter 7 deals with the Functional Service Delivery Reporting

NOTES